

United States Department of Agriculture
GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

AFFIDAVIT

FOR USE IN ANY PROCEEDING OR ACTION
UNDER THE PACKERS AND STOCKYARDS ACT, 1921,
AS AMENDED AND SUPPLEMENTED (7 U.S.C. 181 et seq.)



STATE OF MISSISSIPPI)

COUNTY OF SCOTT)

SS:

(b) (6), (b) (7)(C)

BEFORE ME,

an employee of the United States Department of Agriculture, designated by the Secretary of
Agriculture under authority of the Act of January 31, 1925, 43 Stat. 803, 7 U.S.C. 2217,
personally appeared

(b) (6), (b) (7)(C)


(FIRM ADDRESS)

who deposes and says:

I, (b) (6), (b) (7)(C) am over the age of 18 years and I am otherwise competent to make this statement. I own and operate two farms: (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) I am African-American. I have been growing chickens under contract for Koch Foods of Mississippi, LLC ("Koch") for approximately 10 years.

By way of background, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)



On (b) (6), (b) (7)(C), I have three chicken houses measuring 40 feet by 400 feet. One of those houses was built in 1995, and two of them were built in 1990. On (b) (6), (b) (7)(C), I also have three chicken houses measuring 40 feet by 400 feet. Those three houses were built in approximately 1980. All six of my houses are of tunnel design with cool cells. But for not having automated controllers at a cost of about \$3,000 per house, all six houses would be considered premium houses by Koch Foods, for whom I have grown both small and large birds. The chickens raised on my farm for Koch Foods of Mississippi, LLC ("Koch"), have been processed at the Morton, Mississippi, plant. Koch terminated the contract that I had to raise birds on (b) (6), (b) (7)(C) in (b) (6), (b) (7)(C). Koch stopped placing birds in my three houses on (b) (6), (b) (7)(C) farms after made all improvement required of me by Koch, supposedly because my compost shed was not certified by a government agency. Koch continued to make additional and changing demands for upgrades in my chicken houses.

The concerns that I have about Koch Foods are as follows:

1. Unfair termination. I have been financially ruined by Koch's continued and changing demands for upgrades in my houses. I could not pay my debts and mortgage payments without getting birds to grow. But I could

not afford to continue to make the upgrades required of me by Koch to get birds placed on my farm.

2. Termination of (b) (6), (b) (7)(C) contract. In 2006, at (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) who was Koch's (b) (6), (b) (7)(C) at the time, told me that Koch wanted him to give poultry growers a hard time, but that he was going to try to help the growers. (b) (6), (b) (7)(C) gave me a list of upgrades and improvements that I should obtain to insure that I continued to receive birds at (b) (6), (b) (7)(C). Although I spent approximately (b) (6), (b) (7)(C) to make the improvements to (b) (6), (b) (7)(C), I never got another bird at that farm. (b) (6), (b) (7)(C) Koch's (b) (6), (b) (7)(C) (North), came out to meet with me at (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) and told me that he did not care what (b) (6), (b) (7)(C) had told me to do, and stated that he was not going to honor (b) (6), (b) (7)(C)'s representation that I would continue to get birds if I made the recommended upgrades and improvements. (b) (6), (b) (7)(C) told me in a derogatory manner that "I had a couple of ya'll when I was at Sanderson." I believe that (b) (6), (b) (7)(C) was making a racial slur, and I asked him what he meant. He did not answer me. In the February 2007, notice of termination letter that was sent to me from (b) (6), (b) (7)(C), Koch claimed that (b) (6), (b) (7)(C) was being terminated for failure to comply with Koch's housing specifications. The

letter, however, was not specific and failed to state what he had failed to do.

was held back

3. Time between flocks. I sometimes ~~waited~~ two to three months between flocks. Other growers often had layover times as short as 14 days.
4. In 2007, (b) (6), (b) (7), who was then my assigned (b) (6), (b) (7)(C), told me that I would not receive another flock of birds until I had the electric power line removed over my houses at (b) (6), (b) (7)(C). The power line had been there for about 15 years, and had caused no problems of any kind. The power line was not located near my feed bins. Also, the feed trucks did not go under the power line, so there was no hazard involved with the feed trucks. In order to get another flock of birds, I paid approximately \$6,000 to have the power line removed and installed underground.
5. I spent about \$150,000 to get my chicken houses in shape to enter into a contract with Koch. In 2009, I spent approximately \$50,000 on my (b) (6), (b) (7)(C) chicken houses to make upgrades and improvements required by Koch, but I never received any birds after spending that money. Koch stated that I would not get any birds because my compost shed had fallen down due to damage from a snow storm. My insurance company refused to pay to rebuild the compost shed, so I had to pay

approximately \$5,000 to have it rebuilt. (b) (6), (b) (7)(C) with Koch stated that my compost shed had to be approved by a governmental agency, but when I contacted that agency in Jackson, Mississippi, I was told that their approval was not required and that the agency sends an agent out once per year to inspect sheds.

6. Unfair control exerted through flock-to-flock contracts. (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) told me that Koch had a preference for flock-to-flock contracts because if Koch wanted something to be done on a farm, it could force the farmer to do whatever was wanted in order for the farmer to get another flock.

7. I have, in the past, obtained loans for the upgrades and improvements to my chicken houses through the Community Bank in Forest, Mississippi. Due to the fact that I was told that the Community Bank was getting out of the business of making loans for poultry growers, I sought a loan from the People's Bank in ^{McGehee} Forest (MS) to upgrade my houses so that I could get "premium" housing pay from Koch. (b) (6), (b) (7)(C) at the People's Bank contacted (b) (6), (b) (7)(C) to request that my contract with Koch be extended for two years to cover the period of the loan. (At that time I was in the third year of a five-year contract, but the loan period was four years.) When (b) (6), (b) (7)(C) called (b) (6), (b) (7)(C), she reported to me that

(b) (6) had cursed at her. Koch sent a letter to the People's Bank which merely stated that my contract with Koch would end in two years, and as a result, my loan application was denied. (b) (6), (b) (7)(C), to my knowledge, still works at the People's Bank.

8. In 2007, (b) (6), (b) (7) (Koch Service Technician) told me that (b) (6), (b) (7) was being terminated as a poultry grower because he had called the Packers and Stockyards Program to complain about Koch. I believe that (b) (6), (b) (7) told me this, in part, to threaten and intimidate me and to make me hesitate before calling Packers and Stockyards to complain about Koch's practices.
9. I had alarms installed in my driveway so that I would be alerted when a feed truck entered my property. I had some concerns about whether feed was being properly delivered to my farm. When a feed truck came onto my property, I would go to my chicken houses to insure that feed was put into my feed bins. On one occasion in 2007, I discovered that a contract truck driver, (b) (6), (b) (7), who was driving a truck for (b) (6), (b) (7)(C) in Raleigh, Mississippi, had failed to put one whole bin of feed into my feed bins. Based on my insistence, (b) (6), (b) (7) put the feed into my bin. I confronted him about this, and also called (b) (6), (b) (7)(C) at Koch to

complain. (b) (6), (b) (7)(C) minimized my complaint, and said that (b) (6) had probably just forgotten to put the feed into my bin.

10. In 2007, at (b) (6), (b) (7)(C), a feed truck driver named (b) (6), (b) (7) conversed with me about the possibility of my buying additional feed for the birds in my chicken houses. (b) (6), (b) (7) told me that buying additional feed could raise my rankings among other growers. I told (b) (6), (b) (7) that I was interested in purchasing additional feed on the side, and he said that he would talk with "(b) (6), (b) (7)(C)" at the office and get back with me. (b) (6), (b) (7), who to my knowledge resided in Forest, Mississippi, never got back with me. I believe that my work history as a Sheriff's Deputy may have frightened (b) (6), (b) (7) or others against offering to sell my additional feed.

11. Sometime shortly after (b) (6), (b) (7)(C), (b) (6), (b) (7) who ^{feed} worked in the Koch office, spoke with me (b) (6), (b) (7)(C). During that conversation, (b) (6), (b) (7) told me that she had been instructed to change the paperwork on a week's settlements so that a particular grower was ranked number one, and that she was told what to change to obtain the desired result. She quit her job at Koch because of this falsification.

12. Shortly after (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) came to see me and told me that he wanted to purchase my farm, (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

13. It is my understanding that (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) at Koch, has purchased the farms of two poultry growers for Koch who were terminated and who, consequently, lost their farms. The purchase prices were reportedly deeply discounted, and he may have obtained financing through the Community Bank in Forest, Mississippi.

14. Following Koch's decision to stop placing birds on my farms, I have tried to sell my farms. I have both farms (and my residence) listed for sale with (b) (6), (b) (7) of Century 21 Real Estate. (b) (6), (b) (7)(C) reported to me that (b) (6), (b) (7)(C) cursed at her when she contacted him about statements that he reportedly made to a possible purchaser from Florida (reportedly stating that my farms had been neglected by me, that I was lazy, and that \$100,000 in improvements to my houses were required). (b) (6), (b) (7) reportedly told (b) (6), (b) (7)(C) that the bank had foreclosed on my farms, which was false. I believe that (b) (6), (b) (7)(C) is unfairly interfering with my ability to sell my poultry farms.

(The rest of this page is left intentionally blank.)

This statement consists of 10 pages of which this is page 10. I have read the foregoing statement and it is true and correct. I give such statement freely and voluntarily, without threats or promises having been made, knowing that it may be used in the administration of the Packers and Stockyards Act, 1921, as amended, and the regulations thereunder.

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

SUBSCRIBED AND SWORN TO before me at

Mississippi, on this 3rd
day of March, 20 10.

(b) (6), (b) (7)(C)

Employee of the United States Department of Agriculture,
designated pursuant to law to administer oaths,

Authorization No. 252

WITNESS:

(b) (6), (b) (7)(C)